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July 1, 2015

Mr. Patrick C. Woods
Director, Regulatory and Compliance Services
East Kentucky Power Cooperative, Inc.
Post Office Box 707
Winchester, Kentucky 40392

Re: Case No. 2010-00449

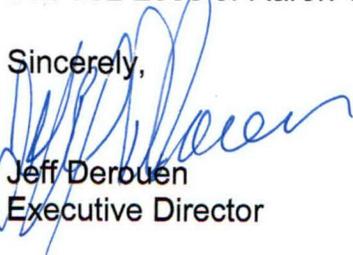
Dear Mr. Woods:

Commission Staff have reviewed East Kentucky Power Cooperative Inc.'s ("EKPC") letter of March 31, 2015, and the attached Smith Unit 1 Asset Cost Mitigation Report ("Mitigation Report") which included responses to the specific questions set forth in my letter of February 11, 2015.

As a result of this review, it has been determined that future reports should be submitted on a semi-annual basis with the first such report due by September 30, 2015.¹ In addition, future reports should fully explain the reason for any change in the balance of the regulatory asset from the \$149,034,981.58 balance as of March 27, 2015. Finally, if the assets remain unsold, EKPC shall schedule a meeting with Staff within six weeks after the March 2017 report to discuss its prospective strategy regarding continuing mitigation efforts.

If you have any questions concerning this request, feel free to contact Richard Raff at 502-782-2588 or Aaron Greenwell at 502-782-2563.

Sincerely,


Jeff Derouen
Executive Director

¹ Additional reports would be filed by March 31, 2016, September 30, 2016, and March 31, 2017.

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